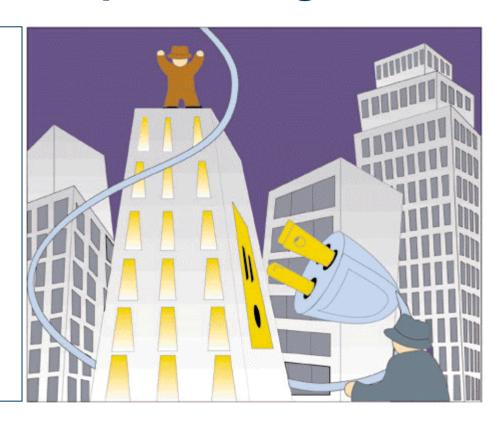
Distribution and Interconnection R&D: Strategic Roadmap Planning

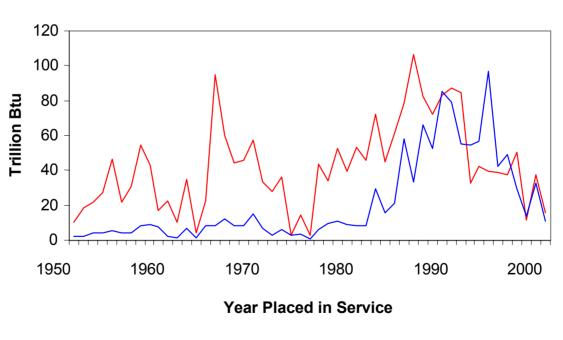
Roadmap General Discussion, Conclusions, and Next Steps





DER and CHP are at Watershed Point

Cogenerating DR > 1 MW



— Thermal Output —— Electric Generation





Global Themes

- Need to evolve existing \$358 billion T&D asset (250,000 substations, 152 communication protocols) to meet customer demands -- not replace infrastructure
- Systems approach works best (top-down view)
- Major overhaul of utility rate system is needed (de-averaging)
- Open access to markets is essential to get true customer choice
- Supply of trained distribution and power engineers is critical
- Technology R&D is needed to lower costs, increase reliability, and improve national security
- DER technology needs to be less custom, more mass produced
- When conducting R&D, public/private partnerships may continue to work best



Articulate DER Vision Early On



- 1. Reliably serving residential or commercial loads at lowest cost
- 2. Integrate DER into wholesale market
- 3. Maximize penetration of DER (may be least legitimate goal)

Each vision will result in a different SmartConnect system, and therefore requires R&D to accomplish

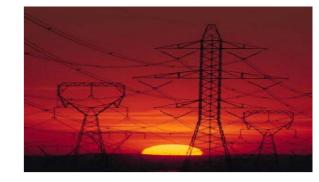




Discussions About Draft

- Meeting provided great comments on roadmap
- Changes to draft document will be made
- Draft document is mostly on track
 - Scope is distribution system of the future, of which DER is a component
 - Interoperability of devices/systems is key
 - Five major target areas make sense when categorizing proposed DOE R&D activities





Suggested Changes

- Editorial, e.g. note other manufacturer R&D
- Shifts in perspective
 - Education is key to overcoming challenges as well as preparing for the future
 - Open protocols, open standards, open architecture, interoperability
 - DER communications is a key part of system
 - Emphasis should be on realizing full value of DER
 - Broaden stakeholder outreach, include all stakeholders in process, particularly utilities



Strategic Roadmap for Distribution and Interconnection R&D

- We're on the right path, with many destinations along the way
- Input, input and more input
 - Great feedback from group
 - Strong message to expand input to other major stakeholders
- DOE to consider appropriate role





Group Discussion

- Key areas for further discussion
 - Education and training
 - Open architecture
 - Standardized non-proprietary communication protocol
 - Local vs. central control systems



Next Steps



- Please send any written notes or comments to us
- Modify draft roadmap for DOE
- We hope we can call on you for additional feedback
- pll@rdcnet.com
- www.eren.doe.gov/distributedpower/





Last Thoughts

 What one thought would you like to share with the group about the draft roadmap, the meeting, the process, or anything else?



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Roadmap General Discussion, Conclusions, and Next Steps

